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AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
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TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: **OFFICE OF SAMOAN AFFAIRS CONTRACT REVIEW**

We have completed a review of the Office of Samoan Affairs (OSA), an Integrated Care Management Program service provider. The review was conducted as part of the Auditor-Controller's Centralized Contract Monitoring Pilot Project.

Background

The Department of Community and Senior Services (DCSS) contracts with the Office of Samoan Affairs, a private, non-profit, community-based organization, which provides services to Samoan seniors ages 60 and older and their spouses and the disabled residents located in Service Planning Areas (SPAs) Six and Eight. The types of services provided by OSA include interviewing program participants and assessing their cognitive, social, emotional, and medical needs and developing a care plan. In addition, OSA staff will contact the appropriate service providers to arrange for the services identified in the participants' care plans and meet with the participants on a monthly basis to ensure that the participants' needs are being met. OSA's office is located in the Second District.

DCSS pays OSA a negotiated hourly rate up to a maximum rate established by DCSS. The negotiated hourly rate is based on the program costs and service hours that OSA estimated in their proposal. OSA is paid \$22 per hour for Intake Screening and \$40 per hour for all other services provided. For Fiscal Year 2002-03, DCSS paid OSA approximately \$63,846.

Purpose/Methodology

The purpose of the review was to determine whether OSA was providing the services outlined in their Program Statement and County contract. We also evaluated OSA's ability to achieve planned levels of service and staffing. Our monitoring visit included a

review of OSA's Annual Service Level Assessment report, billing statements, participant case files, personnel and payroll records, and interviews with OSA's staff and program participants.

Results of Review

We noted that OSA uses qualified staff to perform the services, as required by their contract. The program participants interviewed stated that the services they receive from OSA generally meet their expectations and their assigned social worker visits them at least once a month, as required.

For Fiscal Year 2002-03, OSA reported that they achieved their targeted services levels. However, our review of OSA's invoices disclosed that supporting documentation often does not exist for services billed to DCSS. The invoices also do not always correctly reflect OSA's provision of services. In addition, OSA billed DCSS for services provided to individuals that were not eligible to receive program services. Specifically, we sampled 312 service hours from 342 service hours that OSA billed DCSS from July through August 2003 and \$600 for Purchase of Services costs that OSA requested reimbursement and noted the following:

- Fifty-five (18%) of the 312 service hours billed were for providing services to individuals that were ineligible for Care Management Services. In addition, 52 (17%) of the 312 service hours billed were for services provided to five individuals for which OSA did not document their participants' physical, mental, emotional, or cognitive impairments that qualified them for Care Management Services. The billed services provided to individuals not eligible for program services or who did not have their eligibility documented totaled \$4,280 out of a total of \$12,120 for the hours reviewed.
- One hundred thirty-six (44%) of the 312 service hours billed and \$600 in Purchase of Services were not supported with documentation. For 36 of the 136 undocumented service hours, the client case files did not contain the required forms (e.g., Needs Assessment, Intake, etc.) to document OSA's provision of service.

One hundred of the 136 undocumented service hours billed were for Interagency Coordination services. Interagency Coordination is the time spent by contractor's staff for training and participation in Adult Protective Services (APS) activities. Reimbursable activities include attendance at meetings with regional APS field offices, conferences and workshops, outreach efforts, and educational seminars. The documentation submitted by the OSA to support the 100 service hours did not identify specific training, timeframes for training, topics of discussion, or names of the attendees. The undocumented amount billed totaled \$5,440 out of a total of \$12,120.

We attempted to confirm, with a selected number of program participants, the

specific services they received from the Contractor during July and August 2003. While the participants were unable to remember the specific dates, they remembered receiving services from OSA.

- Sixty (19%) of the 312 service hours billed were incorrectly reported to DCSS. For example, OSA billed DCSS for 12 units of service for care planning for one participant. However, our review of the documentation contained in the case file noted that activities conducted by the social worker should have been billed as case monitoring.

According to OSA, staff are not always knowledgeable on the appropriate category (e.g., Intake, Case Monitoring, etc.) to report billable services or for administratively updating program participant case files. The hours of service incorrectly reported totaled \$2,400 out of a total of \$12,120 for the hours reviewed.

The service hours that we noted that were incorrectly reported did not result in OSA over-billing or under-billing DCSS. However, in some instances, incorrectly reporting billed services can result in OSA over-billing or under-billing DCSS. For example, if staff incorrectly reported hours spent processing an individual's intake application as Case Monitoring, OSA will over-bill DCSS \$18 for each hour reported because intake process is billed at a different rate (\$22 per hour) than the rate billed for Case Monitoring and all other services (\$40 per hour). In addition, inaccurate reporting of service hours impacts the accuracy of the statistics to evaluate the program and its menu of services.

We have recommended that OSA ensure that DCSS is only billed for services provided to individuals that are eligible to receive program services. OSA also must maintain documentation to support the eligibility of program participants and each hour billed to DCSS. In addition, OSA needs to ensure staff identify the appropriate category to report billed service hours. The details of our contract compliance review, along with recommendations for corrective action, are attached.

Review of Report

On November 24, 2003, we discussed our report with OSA who generally agreed with the findings. In their attached response, OSA indicates they will submit a corrective plan, including the timeframes to implement the recommendations, to DCSS within 30 days, as required by their contract. In addition, we notified DCSS of the results of our review. DCSS will work with OSA and monitor them to ensure that areas of non-compliance disclosed in this report are resolved and will report to your Board within 60 days of this report.

We thank OSA for their cooperation and assistance during this review. Please call me if you have any questions, or your staff may contact Don Chadwick at (626) 293-1122.

JTM:PM:DC

- c: David E. Janssen, Chief Administrative Officer
Department of Community and Senior Services
Robert Ryans, Director
Cynthia Banks, Chief Deputy Director
Denise Traboulsi, Acting Program Manager
June Pouesi, Director, Office of Samoan Affairs
Violet Varona-Lukens, Executive Officer
Public Information Office
Audit Committee

**CENTRALIZED CONTRACT MONITORING PILOT PROJECT
INTEGRATED CARE MANAGEMENT (ICM) PROGRAM
FISCAL YEAR 2003-2004
OFFICE OF SAMOAN AFFAIRS**

BILLED SERVICES

Objective

Determine whether Office of Samoan Affairs (OSA) provided the services billed in accordance with their contract.

Verification

We selected a sample of 312 hours of service from a total of 342 hours that OSA billed DCSS in July and August 2003 and reviewed the case files for documentation to support the services billed and that the program participants were eligible to receive services. In addition, we interviewed a sample of program participants to confirm that the services were provided.

Results

Our review of the sampled hours billed disclosed the following:

- Fifty-five (18%) of the 312 service hours billed were for providing services to individuals that were ineligible for Care Management Services. In addition, 52 (17%) of the 312 service hours billed were for services provided to five individuals for which OSA did not document their participants' physical, mental, emotional, or cognitive impairments that qualify them for Care Management Services. The billed services provided to individuals not eligible for program services or who did not have their eligibility documented totaled \$4,280 out of a total of \$12,120 for the hours reviewed.
- One hundred thirty-six (44%) of the 312 service hours billed and \$600 to reimburse OSA for Purchase of Services costs were not supported with documentation. For 36 of the 136 undocumented service hours, the client case files did not contain the required forms (e.g., Needs Assessment, Intake, etc.) to document OSA's provision of service.

One hundred of the 136 undocumented service hours billed were for Interagency Coordination services. Interagency Coordination is the time spent by contractor's staff for training and participation in Adult Protective Services (APS) activities. Reimbursable activities include attendance at meetings with regional APS field offices, conferences and workshops, outreach efforts, and educational seminars. The documentation submitted by the OSA to support the 100 service hours did not identify specific trainings, timeframes for training, topics of discussion, or

names of the attendees. The undocumented amount billed totaled \$5,440 out of a total of \$12,120.

- Sixty (19%) of the 312 service hours billed were incorrectly reported to DCSS. For example, OSA billed DCSS for 12 units of service for care planning for one participant. However, our review of the documentation contained in the case file noted that activities conducted by the social worker should have been billed as case monitoring.

According to OSA, staff are not always knowledgeable on the appropriate category (e.g., Intake, Case Monitoring, etc.) to report billable services or for administratively updating program participant case files. The hours of service incorrectly reported totaled \$2,240 out of a total of \$6,280 for the hours reviewed.

The service hours that we noted that were incorrectly reported did not result in OSA over-billing or under-billing DCSS. However, in some instances, incorrectly reporting billed services can result in OSA over-billing or under-billing DCSS. For example, if staff incorrectly reported hours spent processing an individual's intake application as Case Monitoring, OSA will over-bill DCSS \$18 for each hour reported because intake process is billed at a different rate (\$22 per hour) than the rate billed for Case Monitoring and all other services (\$40 per hour). In addition, inaccurate reporting of service hours impacts the accuracy of the statistics to evaluate the program and its menu of services.

Recommendations

Office of Samoan management:

1. **Ensure that DCSS is only billed for services provided to individuals that are eligible to receive program services.**
2. **Maintain documentation to support the eligibility of program participants and each hour billed to DCSS.**
3. **Ensure staff identify the appropriate category to report services and for administratively updating program participant case files.**

CLIENT VERIFICATION

Objective

Determine whether the program participants actually received the services that Office of Samoan Affairs billed DCSS.

Verification

We judgmentally selected a sample of five program participants to interview to confirm the services OSA billed to DCSS.

Results

The program participants interviewed stated that the services they receive from OSA meet their expectations and their assigned social worker visits them at least once a month, as required. We attempted to confirm, with the five program participants, the specific services they received from OSA during July and August 2003. While the participants were unable to remember the specific dates, they remembered receiving services from OSA. .

Recommendation

There are no recommendations for this section.

STAFFING/CASELOAD LEVELS**Objective**

Determine whether OSA's Care Manager has a case load of 40 or less, as required by the County contract.

Verification

We interviewed OSA's Care Manager and Program Director and reviewed case files and billing invoices for July and August 2003.

Results

OSA uses one full-time Care Manager to provide program services. Our review of the billing invoices for July and August disclosed OSA reported 25 active cases which resulted in the Care Manager's assigned caseload not exceeding the maximum allowed by DCSS' contract (40 cases per care manager).

Recommendation

There are no recommendations for this section.

STAFFING QUALIFICATIONS**Objective**

Determine whether OSA's staff meets the qualifications required by DCSS' contract.

Verification

We interviewed OSA's 3 staff who worked on DCSS' contract. In addition, we reviewed each staff's personnel file for documentation to confirm their qualifications.

Results

Our interviews with OSA's staff and review of their personnel files disclosed that the staff assigned to DCSS' contract possess the required educational (college degrees) and work experience identified in DCSS' contract.

Recommendation

There are no recommendations for this section.

SERVICE LEVELS**Objectives**

Determine whether OSA's reported services for Fiscal Year (FY) 2002-03 did not significantly varied from planned services levels.

Verification

We reviewed DCSS' Annual Service Level Assessment report for FY 2002-03 and OSA's proposed service levels for the same period.

Results

Our review of OSA's reported service levels disclosed OSA achieved their planned service levels. For FY 2002-03, OSA's planned service level for providing all services was 1,780 hours. The actual service levels reported by OSA for the fiscal year amounted to 2,005 hours. However, as previously noted, OSA often did not have documentation to support the reported services or provided services to individuals not eligible to receive Care Management Services.

Recommendation

There are no recommendations for this section.



Office of Samoan Affairs, Inc.
Los Angeles Region

Pat H. Luce December 8, 2003
Executive Director

June V. Pouesi To: J. Tyler McCauley
Director

From: June Pouesi, Director
Office of Samoan Affairs

Re: Corrective Action for the OFFICE OF SAMOAN AFFAIRS
Integrated Care Management Program.

First, I would like to thank the LA County Supervisors for the "Auditor-Controller's Centralized Contract Monitoring Pilot Project." The review its members did on November 24, 2003, was thorough and provided clarity on certain practices (specifically, regarding APS clients and Interagency Coordination services). However, in the finding regarding Auditors' comment that clients they had interviewed could not "remember the specific dates that they received services from OSA," I believe the reason is because they are exactly the type of clients (elderly, frail, etc.) that would not be able to remember specific dates; yet the clients were able to state that the Case Manager does visit them.

We are pleased to find that "the service hours...that were incorrectly reported did not result in OSA over-billing or under-billing DCSS."

Overall, I believe that, for the most part, training by DCSS, at periodic intervals, with timely and quality monitoring is in order to ensure proper execution of our program.

CORRECTIVE ACTION:

As a result of this review, in general, OSA agrees with the findings and will secure, from henceforth, the integrity of its program by addressing those areas that were considered, questionable. OSA accepts the recommendation made by the Auditor Review team which include:

1. Ensure that DCSS is only billed for services provided to individual that are eligible to receive program services.
2. Maintain documentation to support the eligibility of program participants and each hour billed to DCSS.
3. Ensure staff identify the appropriate category to report services and for administratively updating program participant case files.

The time frame by which the above will be achieved is immediately.

In closing, the experience, although grueling, in that 3 days of our time, which was quite extensive in light of the client services delivery that must go on, was worthwhile. The very intense-driven review, from an outside entity (outside of DCSS) can only support rather than detract from ensuring a quality program that meets contractual obligations.

OSA welcomes such support in concert with the support from our funding agency, DCSS.